App. F. IX-4

Previous References.

1954 (Ind.)

File No. 173-54.

Serial Nos. 1-2.

Later References.

Ind. Def(647)/55-58

MYSORE GOVERNMENT SECRETARIAT

Serial Nos. 7150 only — K. 11. E

Part B for June 1955.

SUBJECT

Write off of the overhead charges and profit from the books of the government Electric Factory.

WD 06701—GPB—25,000—11-8-54

G.O. No. I. 5427-9. D. 26.3.55

The Dir of Ptc.
The Secy., B.M.I.C.
The A.G. through F.D.

Sanctions the ——

C.V. Rajanna
27/6/55

Letter No. 2271/54-55 dated 29th/30th December 1954 from the Additional Director of Industries and Commerce, requesting, in the circumstances explained, approval of Govt. for the settlement arrived at between the management of the Govt. Electric Factory & the Negapatam Stoneware pipes & Potteries Ltd in connection with Rs. ~~[illegible]~~ 7954- due to the Govt. Electric Factory & also to write off the overhead charges etc amounting to Rs 7954- from the books of the Govt. Electric Factory against the reserves available under the head "Bad & Irrecoverable Debts" & to treat the matter as closed.

1) The action taken by the Addl Director of Industries and Commerce in having arrived at an amicable settlement with M/s the Stoneware Pipes & Potteries Ltd for the payment of dues to the Govt Electric Factory in connection with repairs to one pipe finishing machine of the M/s Stoneware Pipes & Potteries Ltd and also to ~~the proposal~~ his proposal to write off the overhead charges etc amounting to Rs 7954- ~~from the Books of the~~ from the books of the factory against the reserves available under the Head "Bad & Irrecoverable Debts" in the circumstances explained & to treat the matter as closed is for orders.

31/12/54 3/1/55.

4104.

Write off of the amount due by M/s Mysore Stoneware Pipes & Potteries Ltd

5690
Law 84-50

2) In the circumstances stated, the proposals of the Addl. Director may be approved, in consultation with the Law & Financial Secretaries.

Dev. Secy 5/1

3) I feel that the attempts made to arrive at an amicable settlement should have been made before approaching Govt for permission to take legal action & not afterwards. It is not proper that orders of Govt should be ordered negatory & write-off recommended in contravention thereof. However since the Director's letter indicates that the work done was defective it would appear that legal action would not have enhanced the population of the C.T.F. nor would it have proved successful in the circumstances. In view of this the recommendation may perhaps be agreed to.

4) For favour of remarks.

I Law Secy
Fl. Secy.

8/1

5) If the Administrative Secretariat is satisfied that the compromise arrived at is beneficial to the Department, the same may be

Sec. No. for it.

ARY DEVELOPMENT DEPARTMENT
2247
6 JAN 1955
Government of Mysore

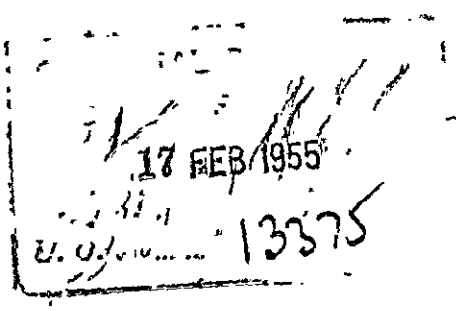
SECRETARY TO GOVT.
9731
10 JAN 1955
LAW DEPARTMENT

Law
9788
11/1

MYSORE GOVT. SECRETARIAT
No. ... 10
10 JAN 1955
LAW BRANCH

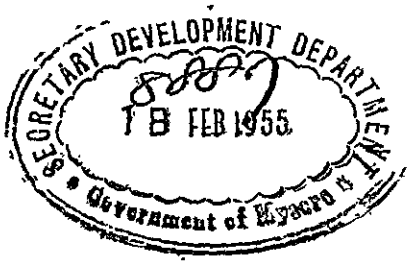
Write off the amount due to G&F Ltd M/s Bayfore Stone ware
4104/- Pipe & potters Hrd 5690
However it would
approved. Howard have been much better if the
Settlement had been arrived at before the Govt
directed the filing of a Suit.

Development Secretary
15/2/55



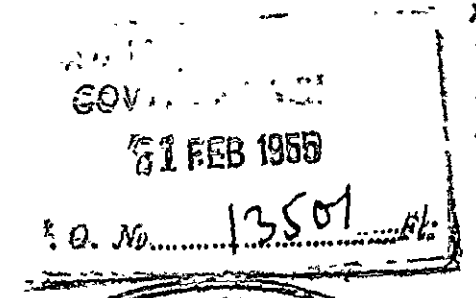
6 The Dev Secy may kindly record his views in the history of the Spring of the Lake Debt.

18/2/55
Dy Secy



7 I cannot say that the ~~for~~ compromise is beneficial to the department as it is not practicable to determine what the outcome will be if the matter goes before the Court. I feel however that on grounds of expediency settlement by compromise is desirable.

Dy Secy
19/2/55.



8 It appears desirable to agree to the proposal of the Director in this case in view of the remarks at A in the P.U.D.

Secy
Dy Secy

9 I agree with the Addl Secy (Bud).

Dev Secy
24/2/55

10 Submitted for orders.
Draft G.O. is also proposed for approval
28/2/55
J. D. A.

Write off from the books of the C&E—
Rs 7000/- - repair charges for Mysore Stoneware
Pipes and Potteries etc.

1) The draft G.O. may be approved. 4104/1

Dy. Secy) 1/3/55.

2) For favour of approval.

Min Home Dept)

4/3.

5/3/55.

3) 14/3/55

15/3

Dy Secy

16/3/55

Fair Copies of G.O's are submitted for Communication to Ag. Accountant General.

26/3/55

Asst Sec) 26/3

Sec 26/3

Ag Comm no 1022

26/3

21/3

Sec 26/3/55

Asst 28/3

SECRETARY DEVELOPMENT DEPARTMENT
2 MAR 1955
Government of Mysore

OFFICE OF THE MINISTER FOR HOME & INDUSTRIES
NO. 8755
5 MAR 1955
BANGALORE

SECRETARY DEVELOPMENT DEPARTMENT
9857
14 MAR 1955
Government of Mysore

Does of the mysore stoneware pipes and Do Heric, Rlc. Rs. 1,175/- in respect of repairs to one pipe Finishing machine — write off —.

Issued G.O. no. F. 5627-9, D. 26.3.58

To

The Dir. of Ste.
The Secy. B.W.Se.
The AG. Kte. F.D.
Copy to Law Dept.
Sanctions the above.

Encl-(1) 3-11-54

4104/I
30 DEC. 1954
INDUSTRIES BRANCH

30 DEC. 1954

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE

OFFICE OF THE DIRECTOR,

Bangalore, Dec. 27, 1954.

Ref. No. 2271/52-55
Encl-2

The Secretary to Government,
Development Department,
Bangalore-1.

Sir,

Sub : Dues of The Mysore Stoneware Pipes and Potteries,Ltd., Rs.1,175/- in respect of repairs to one Pipe Finishing Machine.

I write to intimate that The Mysore Stoneware Pipes and Potteries,Ltd., Chickbanavar, sent a Pipe Finishing Machine for effecting certain repairs in the Government Electric Factory. A sum of Rs.1,050/- was billed for on account of the repairs. The firm complained of certain defects and as a result further repairs were undertaken and the extra work was billed for at Rs.125/-. The party took delivery of the repaired machine during September 1946. When the claim of the factory was pressed, they stated that the repairs were quite unsatisfactory, that they had not had a single day's useful out-turn from the machine and declined to pay the bill. But the records available in the factory do not show that the party lodged any written complaint regarding the defective nature of the repairs soon after receipt of the machine. They appear to have maintained silence and then raised the issue.

Under the circumstances, it was thought necessary to adopt legal processes for the recovery of the dues of the factory. Sanction of Government was sought for in letter No. 2 dated 1-4-54 of the Director of Industries and Commerce. Government sanction was accorded for the filing of a suit and recovery of the amount in G.O.No.1025/7 Law 1-54-2 dated 2-6-1954.

Collection not readily available.

At this stage, it was thought advisable to make one more effort for an amicable settlement of the affair especially as the Director of Industries and Commerce is also the Chairman of the Board of Management of the Mysore Stoneware Pipes and Potteries Ltd. With this view, a meeting was held at the Office of the Director of Industries and Commerce on Monday the 11th October 1954 at 3-30 p.m. The Managing Agents of The Mysore Stoneware Pipes and Potteries,Ltd., were represented by Sri Vyasa Rao and Sri Prabhaker Rao. The General Manager of the Government Electric Factory along with the Administrative Assistant of the factory were with instructions from me present on behalf of the factory. After an exhaustive discussion it was felt that a via media had to be found as there appeared to be faults on both sides whether of omission or commission. The important consideration was that of maintenance of a cordial relationship between the two Concerns in the interest of both. It was finally suggested that the firm agree to pay the Government Electric Factory a sum of Rs.400/- being the cost of material and labour charges, the latter foregoing the overhead and profit charges which amount to Rs.775/- out of the total amount of Rs.1175/- claimed by the factory. It was appreciated that the firm had not made any use of the machine due to defective execution of the work and their point of view that they were not bound to pay any amount had a good deal of force in the circumstances.

A copy of the proceedings of the meeting held in the Office of the Director of Industries and Commerce is enclosed herewith for the information of Government. According to this amicable settlement, the firm have since paid the sum of Rs.400/- and a copy of their letter is enclosed.

In the circumstances, I request you kindly to obtain and communicate the early approval of Government for the above amicable settlement and to write off the overhead charges etc., amounting to Rs.775/- from the books of the factory against the reserves available under the Head "Bad and Irrecoverable Debts", and treat the matter as closed.

Yours faithfully,

M.S.Swaminathan

(M.S.Swaminathan)
Additional Director of Industries
and Commerce.

CDM.

Encl: 1. Copy of Proceedings.
2. Copy of letter dated 1.12.54 from the firm.

20/12/54

DEPARTMENT OF INDUSTRIES & COMMERCE.

Proceedings of the meeting held at the Office of the Director of Industries and Commerce on Monday the 11th October, 1954 at 3-30 p.m.

The following were present:-

1. The Director of Industries & Commerce.
2. Sri Vyasa Rao for Stoneware Pipes & Potteries.
3. Sri K.R. Prabhakara Rao, -do-
4. The General Manager, Govt. Electric Factory.

& 5. The Administrative Assistant, -do-

7.

On 23-10-54 Messrs. Mysore Stoneware Pipes and Potteries, Ltd., sent their pipe finishing machine for effecting certain repairs in the Government Electric Factory and a sum of Rs.1050/- was billed for on account of the repairs had to be executed by the factory as desired by the firm and a sum of Rs.125/- represented the additional charge on this account. The firm did not pay on the ground that the repairs were not all right. Although the party took delivery of the repaired machine during September '46 they did not lodge any written complaint regarding the repair works done for a period of nearly two years as both sides were trying to set right the equipment. It was however stated by the firm that the machine was never used and could not be used due to the repairs being defective. The General Manager was asked at the meeting whether he would undertake repairs ot the machine and set it right. He said that this question must be examined de novo at this distance of time and further it has been recorded ~~kkxk~~ when the first complaint was received by the factory that certain parts of the machine as lying in the premises of the firm were found missing.

After further discussion it was suggested by the Director that with a view to maintain cordial relationship between the concerns the Managing Agents of the Mysore Stoneware Pipes & Potteries Ltd., may agree to pay to the Government Electric Factory a sum of Rs.400/- being only the cost of material and labour charges without overhead as against Rs.1,175/- claimed and billed for by the Factory. A recommendation would be made to the Government for treating the affair as closed. There is no need to take any legal action in view of the above agreement.

Sd/- S. Muninanjappa.
Director of Industries & Commerce.

"True Copy"

Bangalore-2,
dt.15.12.54. HSK.

M. Raghavachar
(A.V. Raghavachar)
General Manager.

GOVERNMENT ELECTRIC FACTORY, BANGALORE-2.

Copy of letter No.4367 dt.1.12.54 from the Managing Agent, Mysore Stoneware Pipes & Potteries Ltd., Post Box No.537, Bangalore-2 to the General Manager, Govt. Electric Factory, Bangalore-2.

Sub: Your bill for repairs to the Pipe Finishing Machine.

Ref: Discussions at the Office of the Director of Industries & Commerce on 11-10-1954.

Your letter No.G.13977/54-55 of the 15th November, 1954.

This payment of Rs.400/-/- was agreed by us in the nature of a concession to conclude and dispose off the subject finally, and it was settled and agreed to by all parties as the final payment to be made in the meeting before the Director of Industries & Commerce on 11th October, 1954. However, since you cannot conclude the case till the payment is received, we enclose a cheque herewith No.706792 dated 2.12.54 for Rs.400/- in full settlement of this account. We shall be glad to hear the orders of Government approving this arrangement.

Bangalore-2,
dt.15.12.54. HSK.

M. Raghavachar
(A.V. Raghavachar)
General Manager.

M. G. S. App. F. G. 3]

MYSORE GOVERNMENT

SECRETARIAT.

(*Continuation sheet draft form*).

Ind. 173-54-2

Proceedings

Read: G.O No. 1025/7 Law 1-54-2 Dt 2-6-54 sanctioning the filing of a suit on behalf of the G.E.F. Bangalore against the Mysore Stoneware Pipes and Potteries Ltd Chikkanayakanahalli for the recovery of a sum of Rs 1,175/- being the balance of bill for the charges for repairs effected to a pipe finishing machine, and which the firm refused to pay even in part.

2. Letter No 2271/57-58 Dt 30-12-54 from the Addl. Dy. Commr reporting that as a result of a compromise, the Mysore Stoneware Pipes and Potteries Ltd agreed to pay the G.E.F. Kanive agreed to pay a sum of Rs 400/- in final settlement of the claim and requesting sanction, in the circumstances stated, to write off the balance of Rs 775/- from the books of the

WD 04860—GPB—40,000—22-1-54

C. E. F.

Order No.

The Director of C. E. F. reports that the legal action sanctioned in the Govt. Order Dy 2-6-56 read above ought not to serve the best interests of the C. E. F., if the firm was able to demonstrate that the repairs carried out to its machine were defective and inadequate to put it back into use, that the Head accordingly arrived at a Compromise wherein the firm have agreed to pay a Sum of Rs 400/- representing the cost of the materials and labour involved in the repair work, and the C. E. F for its part undertook to forego the recovery of the balance of Rs 775/- being the overhead charges and profit in this behalf. and pending taking action in accordance with the Civil Manufacturers

GOVERNMENT ELECTRIC FACTORY, BANGALORE-2.

Copy of letter No.4367 dt.1.12.54 from the Managing Agent, Mysore Stoneware Pipes & Potteries Ltd., Post Box No.537, Bangalore-2 to the General Manager, Govt. Electric Factory, Bangalore-2.

Sub: Your bill for repairs to the Pipe Finishing Machine.

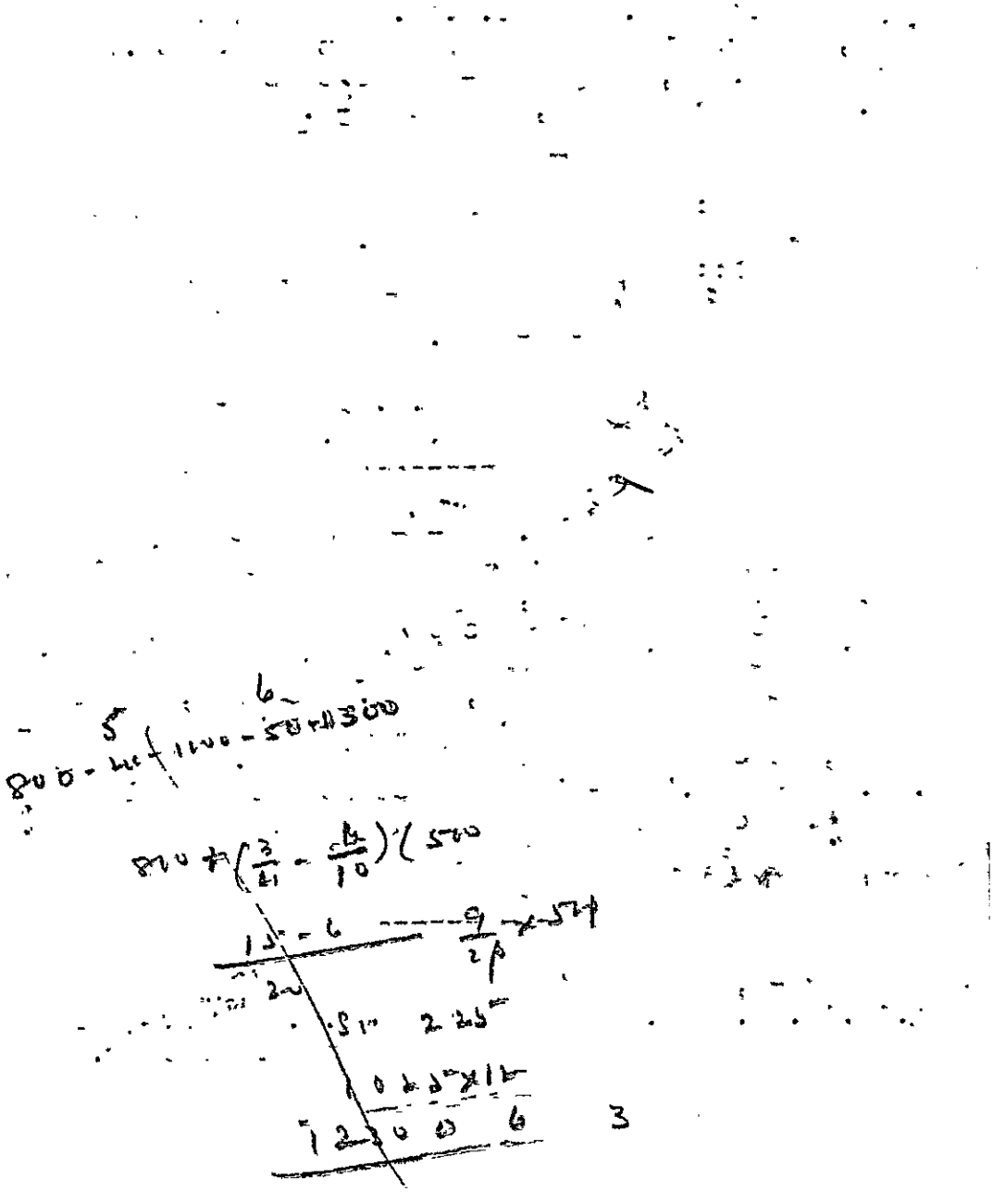
Ref: Discussions at the Office of the Director of Industries & Commerce on 11-10-1954.

Your letter No.G.13977/54-55 of the 15th November, 1954.

This payment of Rs.400/-/- was agreed by us in the nature of a concession to conclude and dispose off the subject finally, and it was settled and agreed to by all parties as the final payment to be made in the meeting before the Director of Industries & Commerce on 11th October, 1954. However, since you cannot conclude the case till the payment is received, we enclose a cheque herewith No.706792 dated 2.12.54 for Rs.400/- in full settlement of this account. We shall be glad to hear the orders of Government approving this arrangement.

Bangalore-2,
dt.15.12.54. HSK.

M. Raghavachar
(A.V. Raghavachar)
General Manager.



M. G. S. App. F. G. 3]

MYSORE GOVERNMENT

SECRETARIAT.

(Continuation sheet draft form).

~~Order No.~~

The action taken by the Director I & C in having effected the compromise detailed above is approved; and Government direct that the overhead charges and profit amounting to Rs 7,45/- in respect of this item of work be written off from the books of the G.E.F against the reserves available under the head "Bad and Irrecoverable Debts".

by

for D.S.

To

1) The Dir I & C

2) " Canteen Secy BMLC.

3) " A.C. through the D.D

Copy to the Law Deptt

I 5427-9/3rd 173-54-2 order dtd 26/3/55

Sanctioned.

WD 04860—GPB—40,000—22-1-54

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Government Order No.1025/7 Law.1-54-2 dated 8-6-1954, sanctioning the filing of a suit on behalf of the Government Electric Factory, Bangalore, against the Mysore Stoneware Pipes and Potteries Ltd., Chikkanayar, for the recovery of a sum of Rs.1,175/- being the bill for repairs effected to a pipe finishing machine.

2. Letter No.2271/54-55 dated 30-12-1954 from the Additional Director of Industries & Commerce in Mysore, reporting that as a result of a compromise, the Mysore Stoneware Pipes and Potteries, Ltd., have agreed to pay the Government Electric Factory in final settlement of the claim, a sum of Rs.400/-, representing the cost of the materials and labour involved in the repair work, the Government Electric Factory for its part foregoing the recovery of the balance of Rs.775/- (Rupees Seven-xxxxxxxxxx hundred and seventy-five) being the overhead charges and profit in this behalf, and requesting sanction to his taking action accordingly and to the write off the overhead charges and profit amounting to Rs.775/- from the books of the Government Electric Factory against the reserves available under the head "Bad and Irrecoverable Debts".

Order No.I. 54 27 -9 Dev 173-54-2

Dated, Bangalore, the 26th March, 1955.

Sanctioned.

B. Lakshmanarao.

(B. Lakshmana Rao)
for Secretary to Government,
Development Department.

To

The Director of Industries & Commerce in Mysore, Bangalore.
The Secretary, Board of Management of Industrial Concerns.
The Accountant General through the Financial Department.

Copy to the Law Department.

By